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Colonel Alfred Pantano District Commander U.S. Army Corps of Engineers P.O. Box 4970 Jacksonville, Florida 32232-0019

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Re: "Vía Verde" gas pipeline project

We are writing on behalf of Casa Pueblo and the people of Puerto Rico to demand that the U.S. Army Corps of Engineers (USACE) denies the permit requested by the Puerto Rico Electric Power Authority (PREPA) in which they propose to construct a natural gas pipeline over 92 miles long.

PREPA owns and operates electric generation, transmission, and distribution facilities serving all of Puerto Rico. This behemoth monopoly has employed strong-arm tactics to push the natural gas pipeline project forward while denying due process in considering the concerns of the public, preventing expert testimony, and subverting efforts to assess the environmental impacts of the pipeline and the risks to human health and safety. In doing so PREPA has also ignored alternative sources of energy or alternative means to supply natural gas to these plants, and has mounted a multimillionaire campaign to misinform decision makers and mislead the public.

Public opposition to the project is strong. Polls indicate that 70% (El Nuevo Día - March 2011) of the citizens of Puerto Rico oppose the construction of the pipeline. On May 1, 2011 over 30,000 people marched to protest the 'Vía Verde' gas pipeline. Many different sectors of Puerto Rican society have demonstrated their opposition, including church organizations, cultural groups, academics, union members, community groups, and Puerto Rican citizens in the U.S. mainland.

Opposition to the Project:

Several technical and scientific evaluations presented at the USACE- San Juan Office by professional organizations, community groups, union members, archeologists, and academics have evidenced the following:

- 'Vía Verde' is not an alternative since its source of gas is EcoElectrica (according to the proponents in their superficial local Environmental Impact Statement). EcoElectrica has already admitted to the Fish and Wildlife Service (FWS) that they do not have the required natural gas send-out capacity infrastructure, neither the permits from FERC to supply gas to the three northern plants. Giving an endorsement to the 'Vía Verde' project without gas for the operation is absurd, negligent, and suspicious. EcoElectrica has acknowledged that acquiring these permits and modifying the facilities could take up to10 years. This issue alone should be enough to reject this proposal. 'Vía Verde' is not feasible.
- Most of the \$500 millions investment is to provide fuel to the Cambalache Power Plant, which produces less than 1.5% of the total energy demand of Puerto Rico. The alternative of converting to natural gas the power plants Costa Sur (1,360 MW) and Aguirre (1,492 MW) through a short buoy system will represent approximately 60% of the total electric energy consumed in the island while doubling the entrance points of natural gas to the island. Adding the 15% of electric energy currently produced at EcoElectrica will position the island with 75% generation on natural gas. We contend that this is a greater cost-effective alternative without the major investment for the pipeline (both Costa Sur and Aguirre are ready to operate with natural gas) or the major impacts to the island's water production infrastructure or the permanent risk for over 200,000 citizens. (Note: In the municipality of Guayama AES generates 15% of the total energy with coal).
- 'Vía Verde' is not an economic alternative. According to a study performed by two specialists from the University of Puerto Rico, Mayaguez Campus, in the best case scenario 'Vía Verde' will provide savings of only one cent per kilowatt-hour. In its propaganda, PREPA suggests that the savings are in the order of 12 cents per kilowatt-hour. PREPA's claim is impossible to achieve with 'Vía Verde'.
- As recognized by FWS, studies have shown that this project will have an environmental impact larger than any other project carried out in Puerto Rico in decades.
- The pipeline will cut a swath across the Cordillera Central starting at sea level and reaching 3,000 feet, causing more than 8 million cubic meters of earth to be displaced. Since this project is to be constructed through an area of high precipitation, this will cause landslides, erosion and sedimentation that will in turn affect multiple bodies of water, lakes, and the fishing industry.
- The project will impact more than 1,500 acres of forests, causing their permanent defragmentation.
- It will impact the habitat of 34 endangered species, among the habitats will be the fragmentation of 5,400 acres used for nesting by the Guabairo (Antillean Nightjar).
- Over 235 rivers will be impacted including the Critical Conservation Zone of the northern Karsts, which produces 25% of the water consumed in Puerto Rico. The environmental impacts on minimum flows during dry seasons have not been

established, but could be significant for the most important watershed of the island.

- More than 369 acres of wetlands will be permanently impacted.
- Several archeological and historical sites will be impacted along the 92 miles of piping.
- Specialists have emphasized six areas of high hazards with potential for damaging the pipe along its route, such as seismicity, landslides, flooding, tsunami, fires, and facilitated corrosion by natural acid drainage along 8 km of the Humata soil formation.
- The pipeline passes near schools, universities, churches, public beaches, factories, densely transited freeways, and puts the health, life and property of over 200,000 people according to a risk analysis using the guidelines of the Committee for Pipelines and Public Safety, Transmission Pipelines and Land Use: A Risk-Informed Approach Special Report 281 (Pipeline and Hazardous Material Safety Administration, USDOT).
- Lack of compliance with 49 CFR 192.903 requirements for a high consequence area, such as Levittown, whose calculated potential impact radius would range from 129 m at a nominal pressure of 650 psi, to 192 m at a MAOP of 1440 psi (as filed by Spectra Energy at FERC for Jersey City, NJ).
- A study conducted by the environmental law clinics from the University of Puerto Rico Law School, Interamerican University Law School and Vermont Law School urged the USACE to deny permission for the construction of the 'Vía Verde' gas pipeline because the government has not been able to supply the necessary information to the federal agencies so that they can appropriately evaluate the impact of the Project, which does not comply with the requirements of the Clean Water Act, nor does it comply with the Endangered Species Act. Given the magnitude of this Project the USACE must demand a Federal Environmental Evaluation, and it must require the proponents to prepare an EIS that includes a complete analysis, and must permit an facilitate open citizen participation during the process of preparing the DIA.

Very recently, documentation pertinent to evaluation the natural gas pipeline project was transferred to USACE offices in Jacksonville, FL. This action was accompanied by issuance of a public statement that claimed this step was taken "because it is of interest and the nature of the project" (El Nuevo Día 11 de mayo de 2011). This disingenuous claim represents yet another step taken to run from public scrutiny and to avoid an open and transparent public discussion of the projects merits and costs. This action follows the failure of PREPA and other agencies to address the concerns and questions of community groups, scientists, professional organizations, and Puerto Rican archeologists and academics; or representatives of Casa Pueblo, Clínica de Asistencia Legal of the University of Puerto Rico Law School, Sierra Club, and other organizations. To avoid even the appearance of malfeasance, it is imperative that this project comply with all relevant laws, complete and publicize the outcomes of an Environmental Impact Assessment, and host public hearings to inform the public and consider their legitimate

interests. This has not happened. Therefore, based on all the preceding arguments, Casa Pueblo demands that the U.S. Army Corps of Engineers denies the permit for this project.

Sincerely yours,



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